

Historically Black Colleges and Universities

Facing the Future

A Fresh Look at Challenges and Opportunities

BY PHILLIP L. CLAY

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Introduction: A Fresh Look at Challenges and Opportunities¹

This paper reviews the status of historically black colleges and universities (HBCUs) and assesses their mission in light of the changing nature of higher education and the new challenges that HBCUs and other higher education institutions must address. It is based on extensive discussions with HBCU presidents and chancellors, campus visits, and reviews of documents and data.²

HBCUs continue to play a critical role in “advancing the race” and achieving President Obama’s national goals for higher education and economic competitiveness, including a dramatic increase in college completion rates by 2020. To have the world’s best-prepared workforce requires the United States to produce 10 million new college graduates and to make sure every young person completes at least one year of postsecondary education.

Two generations ago, before desegregation, more than three-quarters of black college graduates attended HBCUs. Today, less than one-sixth of college-going black students attend these institutions, but this still represents a significant portion of a much bigger college-going population facing an increasingly large and complex array of educational opportunities.

1. The views expressed in this paper are those of the author and do not necessarily reflect the views of the Ford Foundation or any other institution. The author is grateful for the assistance and support of many individuals too numerous to name here. The author takes full responsibility for any errors in this paper.

2. The preparation of this paper benefited from a review of secondary materials, interviews with presidents and chancellors at 10 HBCUs (Hampton University, Tuskegee University, Spelman College, Bennett College, St. Augustine College, Johnson C. Smith University, Xavier University, Winston-Salem State University, North Carolina Central University, and North Carolina A&T University), and meetings with faculty and administrators in a variety of individual and group settings in Raleigh, North Carolina; Nashville; and Washington, D.C., in the winter and spring of 2011–2012.

The Mission of HBCUs

Of this nation’s 105 HBCUs, 103 were founded after the Civil War, in two phases.³ The first institutions were private or church-related and were created immediately after the war by missionaries, church organizations and philanthropists to educate freedmen. These are mostly small liberal arts institutions, although some, such as Howard and Hampton universities, have since expanded beyond liberal arts to include the professions.

The second phase, near the turn of the 20th century, consisted of an expansion of teachers’ colleges, then called “normal schools,” to produce teachers to remedy the still-large postwar literacy gap between blacks and whites. Many state-supported institutions were also created during this period, and in the 1890s a few black institutions were created as public land-grant institutions focused on teaching agricultural and mechanical arts and technology. Some were private, and some would become public. Nearly all of these institutions were located in Southern and border states.

HBCUs were developed because strict racial segregation prevented blacks from attending white institutions in the South and elsewhere in the nation. These black institutions prepared a portion of the black population for leadership and professional roles in their communities.

Although most HBCUs catered to undergraduates, some of the early HBCUs also provided professional schools for law, medicine, divinity, and other fields. Nearly all provided schools of education to train teachers. Several of the larger institutions, especially the public ones, would add graduate and doctoral programs and specialized professional schools in fields such as engineering and nursing.

The early framing of these schools’ missions included extension of opportunity to those otherwise excluded from educational opportunities. HBCUs never set out to teach unprepared students; they set out to teach students who were less well prepared than white students who were afforded better opportunities. Few blacks had what we would now call college preparation. At the outset, a few of the HBCUs were pre-collegiate before they were collegiate, offering a high school program attached to the college.⁴

Over the years, the meaning of “prepared” would evolve, but HBCUs always assumed—and this continues to be true today—that a significant portion of black students would be the first in their families to attend college. To lead these young people to success, their college experience would have to feature a tight embrace of support and socialization to the “life of the mind.” Students were accustomed to hard

work, but excellence and rigor in the academic context had to be taught and then reinforced.

As primary and secondary education opportunities improved, HBCUs were able to rely on applications from the better-prepared students. Early graduates became leaders. In the segregated environment of the South, the value of HBCUs was obvious. A few blacks did make it to schools in the North. After graduating, many of them returned to the South, where opportunities in black education were plentiful.

In the past three decades, as more and more of the better-prepared black students have had access to a wider range of educational opportunities, the quality of the applicant pool at HBCUs has declined, sometimes to levels that have forced them to accept students so poorly prepared that they were likely to fail. HBCUs had to decide whether to lower their standards or leave seats empty.

It would appear from enrollment numbers that, intended or not, schools have opted for something in between. Enrollments in most private HBCUs have declined from their peaks.⁵ This is true for the “best” HBCUs as well as nearly all of the others. In addition, static or declining graduation rates suggest that HBCUs are also accepting students whose level of preparation is predictive of failure. (This phenomenon is explored in more detail elsewhere in this paper.)

How HBCUs deal with the inherent tension of this situation will be critical to their future, in terms of both their survival and their sustainability. Will they downsize to better match the pool of qualified students? Will they develop a pedagogy that effectively addresses a wider range of student preparation? Will they change their focus or mission in other ways to meet the still-huge educational challenges in the black community? These questions, which confront not only HBCUs but also nearly all small (nonselective) liberal arts colleges, will be addressed in this paper.

Some of the people I interviewed for this paper have raised some additional points. They say that community colleges now play a role similar to the role HBCUs have played. However, graduation rates of community colleges are worse than any other sector of higher education, with barely one-quarter of their students earning a degree after three years. This would seem to indicate that community colleges are no more effective than HBCUs in creating pathways to success.⁶

3. *Cheyney University of Pennsylvania (1837) and Wilberforce University (1856), in Ohio, were both created for free blacks prior to the Civil War, and outside the South.*

4. *For details on the early context and evolution of black higher education, see James Anderson, The Education of Blacks in the South, 1860–1935 (Chapel Hill: University of North Carolina Press, 1988).*

5. *Between 2001 and 2010, the total enrollment in private, four-year HBCUs declined from 86,972 to 78,373. During the same period, enrollment at public HBCUs increased from 181,213 to 210,057.*

6. *Two-year community colleges graduate less than 30 percent of their students after three years. While some HBCUs have similarly low graduation rates, most are higher, with some matching the national average of just over 50 percent of students in four-year colleges and universities. According to the National Center for Educational Statistics, 44 percent of black first-year college students in 2008 attended community colleges over the last decade. Community college enrollment grew by 11 percent, while enrollment at four-year institutions in general grew by just 4 percent over the same period.*

For-profit institutions are no better, but through clever marketing they have attracted black students in large numbers.⁷ Notwithstanding these indicators, there is a strong willingness on the parts of agencies, foundations, and corporations to invest in making community colleges more effective in enabling employment, workforce readiness, and connection to education beyond the associate-degree level.

All of this points to the imperative for HBCUs to present a fresh and compelling case for their ability to meet the needs of black college-bound youth. As we shall see in this paper, some HBCUs have outstanding records and are principal contributors to current black achievement in important STEM fields (science, technology, engineering, and mathematics) and doctorate production. Others are performing and adjusting quite well with limited resources, and still others are struggling. Educators and analysts do not generally characterize educational institutions as obsolete, and neither do they typically contemplate or plan the demise of these institutions. Indeed, part of the strength of higher education in the United States has been the ability of institutions to “morph” to meet the needs of an evolving nation.

This sort of change has historically included adding new types of institutions and adjusting the missions of existing ones. Catholic colleges, for example, had to broaden their reach as immigrants assimilated into the general popula-

tion and drifted to cheaper public institutions whose offerings were stronger. Women’s colleges had to assess whether they could survive as single-sex schools; most concluded they could not and became coed. After World War II, colleges had to absorb GIs, including many who were poorly prepared. Institutions also stepped up to address the Sputnik challenge.⁸ And colleges across the nation, and especially in the South, opened their doors to black students.

Likewise, HBCUs were created with the mission of educating freed slaves and their children and preparing them for life as free men and women. HBCUs prepared tens of thousands of teachers, who significantly raised black literacy rates in a relatively short period of time. These schools also were responsible for turning out a professional class in a segregated society.

HBCUs have produced outstanding graduates, some from quite unlikely backgrounds, who have gone on to serve the nation in a variety of new ways, not just as teachers, preachers, and soldiers but also as astronauts and cabinet members. As we will see in sections below, HBCUs are a source of continuing and critical contribution.

7. A report based on cohorts of students at for-profit schools in 2004-2009 found a high incidence of minority student enrollment and poor outcomes compared with other types of institutions. See D. Deming et al., “The For-Profit Postsecondary School Sector: Nimble Critters or Agile Predators?”, NBER Working Paper #17710, December 2011.

8. The “Sputnik challenge” refers to the recognized necessity in the early 1960s to dramatically and quickly enhance teaching and support for science and engineering in order to counter the early space initiatives of the Soviet Union. The success of this made it possible to meet President Kennedy’s goal to land a man on the moon within a decade, among other benefits.

As compelling as HBCUs’ missions and accomplishments are to some, others view the sector with skepticism.¹⁰ Critics of HBCUs settle on two main critiques. They claim that the high school achievement gap and the HBCU resources gap make investment in HBCUs unattractive, and they question whether it makes sense to support these schools given that segregation is no longer a barrier even in the Deep South. Much in this paper will challenge this skeptical view of HBCUs. A couple of points are worth making early on.

Blacks’ level of preparation may tend to be lower than whites’, but preparation is not aptitude, and it is not passion. A significant fraction of students, given the opportunities that HBCUs provide, have made up for their weaker preparation and have achieved in college at a high level. While the share of students who survive and excel is small, it is nevertheless significant.

The critics who say HBCUs lack resources are correct. However, these schools are not completely lacking in resources—including the critical resource of a supportive and caring environment committed to helping students make the long journey from the academic hinterlands, where few have college experience, to be embraced successfully in a community of scholars. Certainly, HBCUs need more labs and more faculty, but HBCUs have experience “making a way out of no way.”

Reports on the U.S. baccalaureate-origin institutions of black STEM doctorates provide powerful insight into the contributions of HBCUs relative to other institutions.¹¹ Although only one-quarter to one-third of black science and engineering doctorate recipients from 1986 to 2006 received their bachelor’s degrees from HBCUs, when normalized for the number of degrees awarded, HBCUs yielded about as many future doctorates per thousand bachelor’s degrees awarded as non-HBCU institutions did during this period. STEM doctoral yields at private HBCUs as a group are similar to those at all private non-HBCU baccalaureate colleges and public non-HBCU research universities.

This paper makes the case that HBCUs are still needed and that the educational benefits they provide are important. As we shall see in the sections below, notwithstanding critical problems, HBCUs offer benefits that may not exist anywhere else and would not necessarily be replaced if HBCUs no longer existed.

But we must not be sentimental. What was valuable as a model for black education a generation or more ago may be unsustainable and uncompetitive today. HBCUs are obliged to review their missions and their approaches and to recalibrate for a new era. HBCUs have never been well resourced, and over the years they have fallen behind predominantly white insti-

10. For a review of the critiques of HBCUs, see Charles V. Willie, Richard J. Reddick, and Ronald Brown, *The Black College Mystique* (Lanham, MD: Rowman and Littlefield, 2005). Also see Jason Riley, “Black Colleges Need a New Mission,” *Wall Street Journal*, September 28, 2010, retrieved from <http://online.wsj.com/article/SB10001424052748704654004575517822124077834.html>.

11. U.S. Department of Education, National Center for Education Statistics, “IPEDS Graduation Data 2007-2008,” *encompassing both private and public institutions*.

tutions in the resources they can put in service to students and as the requirements for quality education have become more expensive and their client population is still relatively poor.¹²

In suggesting here that HBCUs are still needed, we acknowledge that these 105 schools are not all the same. Some institutions are stronger than others, and no generalization captures the great variety present in this sector or the complexity of attributes for a particular school. In the sections below, the environmental and institutional challenges HBCUs face—including the threats that loom in higher education in general as well as in this particular sector—are explored. The following sections will also explore what “transformation” means and what some early efforts at change have produced.

12. *The United Negro College Fund and the National Association for Equal Opportunity in Higher Education are both groups that advocate for HBCUs and have been active in addressing the resource issue in ways that advance a more sustainable future for HBCUs. For an excellent history of UNCF and the case for HBCUs, see Marybeth Gasman, Envisioning Black Colleges : A History of the United Negro College Fund (Baltimore: Johns Hopkins Press, 2007).*

Higher Education: The Big Picture

How the general public and policymakers feel about higher education depends in large part upon their feelings about a number of political and social issues. HBCUs are included in this larger discussion, either because these issues directly relate to them or because our opinions on these issues affect public support for all of higher education.

The Value of Higher Education, and Who Benefits

Statistics reported to the federal government do not tell a good story about college completion. Barely half of all students (53 percent) who start bachelor’s degree programs complete those degrees within six years; 43 percent of black students, and 63 percent of white students, complete the degree in that time frame. Barely one-quarter (27 percent) of community college students earn a two-year degree. In the minds of the public and of policymakers, this raises the questions of who should go to college; whether students likely to fail should ever have been admitted; and whether it is appropriate to use scarce resources (e.g., financial aid or college teaching resources) to make up for what high schools failed to accomplish.

President Obama has called for a major increase in the number of college graduates to support American competitiveness.¹³

Less than 40 percent of adults today have postsecondary degrees, but by 2030, it is predicted that 60 percent of new jobs will require some postsecondary credential. Even today, business leaders complain that they cannot find job applicants with the skills they need,¹⁴ and they are articulating shortcomings in both the quality and the quantity of talent in the United States. To meet the president’s goal will require that more students attend college and that a much higher share of college students actually graduate.

The issue of the public perception about higher education is important to HBCUs, because the typical graduation rate in this sector is very low for a variety of reasons, including the uneven preparation of students. Black colleges and other academic leaders are not comfortable applying a filter so fine that only sure bets are admitted. There is also an uneasy feeling among educators that we have failed the students who do not complete their programs—a failure that is partly due to resource limitations at the schools and partly to poor advice and limited support given to students in need of guidance.

Increasingly, access (financial aid) and success (completion of college) are the mantra of higher education officials and political leaders. They point to the urgent need to enable greater

13. *President Obama calls for increasing the college degree attainment rate from 40 percent to 60 percent both through having more high school students attend and complete college and more adult learners complete their degrees. See Martha Kanter et al., “Meeting President Obama’s 2020 College Completion Goal,” Department of Education Presentation, July 21, 2011.*

14. *Also see “Across the Great Divide: Perspectives of CEOs and College Presidents on America’s Higher Education and Skills Gap,” U.S. Chamber of Commerce, March 2011.*

numbers of disadvantaged students to attend college, as well as the need to increase graduation rates. Public concerns over poor outcomes and problems with affordability reflect frustration both that we are not getting good returns on investments and that capable students are not getting the support they need to complete college. HBCUs are in the crosshairs of this issue, given the high incidence of financial aid and relatively low graduation rates. The public's legitimate frustration can be assuaged only if more students are successful in completing their degrees.

Accountability

Public concern is growing that colleges and universities are not accountable—that they lack transparency despite the high and rapidly increasing cost of higher education. To address this concern, new regulations require dashboards or other means to disclose information and help prospects understand what the colleges offer in aid. This trend places HBCUs at increased risk, because differences between them and the competition will be clearly visible to anyone who bothers to look. As we shall see below, minority students increasingly rely on online and printed information to make their decisions. Much of this information, however, is aimed at attracting students to the school and to particular programs and not to information, data, and guidance.

Increased accountability may give public HBCUs a new advantage in competing for public

funding. Publicly posted comparisons of funding levels among state-supported institutions may spotlight any unequal treatment and spur more equitable allocation of states' higher education resources. This opportunity, however, also presents a risk that aid will be preferentially allocated to schools with better outcomes or other measures of performance.

The Cost of Higher Education

There is no denying that the cost of education is increasing sharply compared with other services. The public does not understand why the cost is rising so rapidly, and colleges' leaders have not provided the public with insight into the cost increases.¹⁵

The public's negative reaction to the cost of college is due in part to the recent shift of a larger share of the cost of college onto the student. States have cut back subsidies to public institutions and to financial aid. Smaller endowments provide fewer dollars for colleges to use for student aid, and family incomes have declined in real terms over the past three decades. The shortfall has been passed on to students, resulting in rapidly rising debt burdens, currently averaging more than \$20,000 for students who take out loans.

This development raises two issues for HBCUs. First, as we shall discuss in detail later, private HBCUs are low-cost institutions because the population they serve has had fewer resources with which to pay tuition. Their cost of atten-

dance is a fraction of their peers'. The gap is smaller for public institutions. Because the HBCUs are low-cost, they are under-resourced. The lack of resources makes it harder for them to deliver needed services, and it means that any cut is a painful further reduction in resources for teaching.

Second, costs notwithstanding, HBCUs are not able to raise tuitions to create more resources. Not only would higher tuition reduce enrollment, but it also would require students to borrow more, and school scholarship programs would have to expand to keep them competitive, which is highly unlikely. Recent increases in Pell scholarships have helped, but these are at risk due to a more charged political environment and budget pressures.

Online Education

Interest in and use of online education is growing. A decade ago, online education represented a small, specialized portion of off-campus teaching, but now all types of educational institutions are embracing it or assessing the potential benefits for online liberal arts as well as professional programs. Some state officials see it as a parallel modality. In the recent recession, for example, some public institutions eliminated (or limited the growth of) certain in-classroom courses and directed students to take an online version of the course instead.

Three points are relevant here. First, the real growth in online education thus far has been at

for-profit schools and a few large public institutions or systems. Because of costs, including start-up investment, small liberal arts colleges are not able to become major players. Second, online education is a means of delivery, not pedagogy. Any real value from online delivery derives from pedagogy, not infrastructure. Third, online education requires the deep engagement of faculty who have to organize material for online delivery and work with technical people on a variety of matters. Simply putting material online does not work. Finally, achieving quality in online instruction is also expensive, especially at start-up when significant technical and human infrastructure investments are required.

Thus far, it seems that online education is best used in combination with a refocused classroom experience. Most institutions, especially small ones, have not settled on an online strategy, though some schools have modest operations, or they participate in external arrangements that are kept distant from mainstream campus operations. This limited embrace is also true for some HBCUs.

The real breakthrough in online education will come when an institution develops an online education pedagogy that really competes with traditional teaching in core subjects, both in learning outcomes and academic economics. Investors are supporting development in this area, as are consortia of major universities such as MIT, Stanford, the Ivy League, and pub

15. See Robert Archibald and David Feldman, *Why Does College Cost So Much?* (New York: Oxford Press, 2011).

lic institutions such as the University of North Carolina and the University of Massachusetts.

It may be that the most powerful online enterprise that could shape HBCUs’ fortunes would be one that worked especially well in developmental education, helping students who are less well-prepared receive quick and thorough enrichment. This would give new value to HBCUs and directly challenge community colleges and for-profit schools, which have gained a significant share of black students but have not as yet demonstrated a capacity to deliver compelling value.

The Changing Nature of HBCUs and Their Environment

This section explores in more detail the nature of the HBCU sector and environment. However, this sector is not a monolith. Schools vary considerably on a number of important dimensions, including size, enrollment trends, and program mix. They also vary on the larger question of sustainability. A half-dozen of these schools are strong and competitive and have standing within their respective non-HBCU peer set. Spelman, for example, graduates 80 percent of its black students, a record with which few schools, outside of the Ivy League and selective liberal arts schools, compare, regardless of race. A half-dozen other HBCUs have graduation rates that are higher than the average rates for predominantly white institutions.

Certain institutions clearly stand out in other dimensions. Howard University, a research-intensive institution and a member of the elite Association of American Universities (AAU), is a major producer of PhD graduates and a leading source of black physicians, PhDs, lawyers, engineers, and architects. Hampton University has hosted a major NASA space mission, and Tuskegee University has won major several awards for technology research from major corporations and from the Environmental Protection Agency and other U.S. agencies.

A large number, in the middle of the group of 105 schools, are neither thriving nor at risk—

they are simply under-resourced for a mission that remains essential and for which we have expectations of ever-better performance. Another subset of HBCUs faces serious and continuing challenges; although they are surviving, they frequently encounter challenges to their accreditation. Since the end of 2009, nine HBCUs have been warned, placed on probation, or had their accreditation at least temporarily suspended, and in the last 20 years, five HBCUs have ceased to exist. The following section probes more deeply into some of these aspects of this sector, keeping in mind that schools in the HBCU sector have differing profiles.

Students

The demographics of students at HBCUs have not changed dramatically. They are still largely black, low-income, and Southern. About one-tenth of HBCU students are not black. These non-blacks are largely graduate or part-time students.

Some aspects of African-American demographics have shifted a bit in recent decades. Fewer blacks overall live in the South or have close families there, which means fewer blacks live near HBCUs.

Finally, the college-going black population includes a larger fraction of older students and veterans. These students are more practical in their requirements for education. They include students who are sophisticated consumers as well as young people who are potential victims of misleading marketing.

Another way to analyze these student populations is to ask them what attracts them to HBCUs and what their experience at an HBCU has been.¹⁶ One major source of attraction is the small community and welcoming environment. Some students see HBCUs as less culturally foreign, sharp, and hostile, and more culturally empowering, than predominantly white institutions.

Students also welcome an engaged and student-centered faculty who they feel are committed to the mission of HBCUs and to them. More than in any preceding generation, today’s black students may have grown up in racially integrated communities or attended integrated schools. Students at HBCUs welcome a chance to live in a black college community to normalize blackness and to embrace the personal and cultural meaning of the upward mobility that college education enables. They learn new “soft skills” and confront old cultural demons.

While black students express these strong positive feelings, they also express some concerns about the HBCU experience. One concern is the quality of facilities. While many institutions have built new buildings, added air conditioning, and offered a variety of living and recreational opportunities, many of the HBCUs are not so well off, and the contrast between the HBCUs and the nearby (and cheaper) public institutions in this respect can be very stark.

Students also complain about administrative services: the poor customer-service attitude of staff, the inconvenience of waiting in lines, and the absence of features today’s students expect. Students complain about delays in financial aid and often find it difficult to accomplish certain administrative functions in a timely way. While some of the complaints are rooted in limited re

sources, others are simply poor attitudes on the part of staff and administration.

HBCUs are often technology-challenged. This is not to say that the institutions have not upgraded their infrastructure—most have—but technology is an infrastructure requirement that all institutions must constantly enhance. A decade ago, institutions worried about having the electric power capacity in old dormitories for students’ televisions, refrigerators, and audio systems. Now colleges worry about powering students’ sophisticated devices for downloading music and movies and about giving students, faculty, and staff the computing power they need to support their coursework, research, and administrative functions.

We asked presidents what they say to students and families about the value of HBCUs. They responded with some variant of “a place built for you” or “you are the center of concern.” They also mention strong personal support to individuals and high expectations. Spelman tells its black women that coming to Spelman puts them in a “network of 16,000 living black women of achievement.”

The strongest HBCUs tell students that they do not “have to give up something” to attend an HBCU. They cite available study-abroad programs, personal support, undergraduate research, athletics, theater, radio stations, and a host of graduates who have gone on to gradu-

ate and professional schools and successful careers.

Finally, we can analyze the student experience in the HBCU sector by outcomes. In doing this, it is critical to understand the motivations, expectations, and experiences of students at these institutions. It is also important to compare these over time and to compare them with those of students attending predominantly white institutions (PWIs).¹⁷ The best source of information to cover this range of issues is a HERI study of a panel of freshman surveys. This study presents the following findings, among others:

1. In 2004, the information about colleges that prospective black freshmen relied on most included rankings by magazines and printed material. This was followed by advice from relatives and friends. Women used printed material significantly more than men. College counselors did not play a major role.
2. Proximity to home was a key requirement for black students in selecting a college. Students for whom this requirement was the most important were more likely to choose PWIs.
3. In the early 1970s, students from affluent black families attended HBCUs and PWIs in roughly equal percentages, but in 2004, more of these affluent black students attended PWIs. In both time periods, students from low-

16. For student survey results and a summary of various studies of student attitudes, see Janet T. Awokoya et al., “Students Speak!: Understanding the Value of HBCUs from Student Perspectives” (Fairfax, VA: Frederick D. Patterson Research Institute, 2011).

17. Walter Allen et al., *Black Undergraduates from Bakke to Grutter: Freshman Status, Trends and Prospects, 1971–2004* (Los Angeles: HERI, 2005). For an additional perspective focused on black males and not limited to HBCUs, see Shaun Harper, “Black Male Student Success in Higher Education: A Report from the National Black Male College Achievement Study,” *University of Pennsylvania*, 2012.

income families attended HBCUs more than PWIs, and the concentration of low-income students at HBCUs had increased by 2004.

4. Black students in 2004 were significantly more academically prepared than they were in the early 1970s. Black women showed significantly stronger preparation than black men at both time points, and this gap had widened by 2004. Students who attended PWIs had stronger high school preparation than those who attended HBCUs at both time points.

5. First-year black women at both PWIs and HBCUs showed strong academic orientation and aspirations for graduate school at both time points. They also showed a greater appreciation than black men for the role of undergraduate education in preparing for their graduate education. Consequently, for women, exposure to successful role models reinforces their aspirations and yields strong results. (It is no wonder that Spelman has an 80 percent graduation rate. This is the highest rate among HBCUs, and high by any standard. For black men, the survey data suggest it may be more critical to help them identify pathways and the sequence of steps necessary to achieve their aspirations, which are no less than women's.)

6. Black students who attended PWIs expressed more academic self-confidence

dents who attended HBCUs have higher academic self-rating, higher rates of retention, higher graduation rates (except for blacks at the most selective PWIs), and higher academic aspirations.

7. At both time points, students at HBCUs placed a higher value on community service, community leadership, and civic and political engagement.

Faculty

College teachers exist in a global academic talent market. The market is segmented. Some teach at research universities, others at liberal arts colleges; some schools are highly selective in hiring and compensate their faculty accordingly, while other schools are not competitive on this dimension.

HBCU faculty have gone through cycles of creation and transformation. They started with academic missionaries and other white teachers from the North who brought with them a deep commitment to educating freedmen with the model of education they knew in the North. Over time, as more black scholars were educated (at HBCUs and at other institutions), blacks comprised a greater share of the faculty. After World War II, HBCUs benefited from immigrant academics who, if not offered positions elsewhere, were willing, if not attracted, to teach at HBCUs. In recent decades, HBCU faculties have drawn even more black academics, and a strong representation from immigrants from East Asia, Africa and other regions.

By the 1980s and 1990s, the broader academic market opened up, and recruitment of black faculty to HBCUs became much harder. Compensation and benefits were increasing in a market that became tighter with growth.

HBCUs found it increasingly difficult to recruit full-time faculty committed to their mission.

Faculty pay and perks at HBCUs were at least 20 percent lower, HBCU faculty members were required to teach more classes, and expectations for faculty engagement on campus increased. While some of the strongest HBCUs could attract faculty even during this period—including faculty with research interests and capacity—the task of replacing, much less upgrading, became more of a challenge. This difficulty is expected to increase in the coming years as retirements erode the committed core of senior scholars.

In recent years, HBCUs, like other schools, have had to hire more adjunct and part-time faculty, both for budget reasons and because the supply of qualified individuals has declined in some fields. These part-time faculty members often lack the institutional engagement needed for the student-centered value proposition, and they tend not to fulfill the variety of roles colleges expect faculty to play: teaching, research, advising, departmental management, external relations in their disciplines, and community engagement.

From an administrative perspective, part-time faculty offer some advantages: They are paid less than full-time faculty, their numbers can be increased or decreased as enrollments shift, they receive few employee benefits, and they have no standing or leverage as institutional constraints change.

There is also a student-faculty nexus. Faculty at all institutions will say that part of their satisfaction comes from the opportunity to teach prepared and motivated students. Students can sense whether faculty are committed to their learning. Over the years, the proportion of HBCU students who are poorly prepared or not well motivated has increased. While there are exceptions, most faculty do not like to teach developmental or enrichment courses, and students do not like the adjunct faculty who teach these courses when they are not fully engaged.

It does not appear that the coming years will offer any structural relief for HBCUs on faculty matters. Retirements will generate demand for even more faculty, and HBCUs will have to compete in the market with less to offer new faculty prospects. Few black institutions will be positioned to take advantage of opportunities to hire fresh new talent when young faculty expect adequate compensation and support for teaching and research. Some talented faculty will be attracted to HBCUs but will find it hard to make a permanent commitment without some progress on compensation and other matters.

Facilities, Location, and Environment

Physical environs, both on campus and in the surrounding area, are crucial considerations for any university seeking to achieve any sort of transformation. The quality of the environment can either create opportunity or impose costs. Rural locations pose somewhat different challenges than urban ones, but regardless of location, all HBCUs have to address the condition of campus buildings.

As noted earlier, nearly all schools have some deferred maintenance. Better-resourced institutions have some budget flexibility, enabling them to chip away at backlogs, address emergencies, and undertake capital projects. HBCUs rarely have the flexibility to do more than address emergencies and a fraction of deferred maintenance. New capital initiatives come only with external funds, which are often restricted.

Some HBCUs have made significant progress on campus facilities, cobbling together significant resources to build new buildings and renovate old ones. Some of these changes may even in time be transformative, to the extent that they enable new faculty research and academic programs. Their development may also signal change. However, it is important to note that when resources are available to build a new building but not to renovate old ones, the creation of attractive places can highlight both the deterioration of the older buildings on campus

and the more attractive facilities at better-off local competitor institutions.

At one public HBCU, a new lab building is facilitating an applied-research connection between faculty and the local biotech industry, providing research space for faculty and an advanced teaching infrastructure that is attracting faculty and students and establishing institutional relevance to the local economy. Hampton University has also built a clinical building of regional significance. Both of these projects owe their existence to clever, visionary, resourceful, and committed institutional leadership. Both are making these institutions players in the regional R&D world and attracting funding and support.

Physical plant is only one element in the complex array of environmental factors affecting quality of campus life. A campus's surroundings are just as important. In general, urban campuses have a locational advantage, but some of the best small colleges in the country are located in rural areas. These institutions often create a bubble around themselves in which students are well cared for and student life, learning, and cultural facilities are enhanced and plentiful. Transportation links are available to ensure that athletic and arts programs are not limited. Some schools offer faculty housing and amenities. Attractive col-

lege towns are growing and drawing artists, retirees, and laptop professionals. If a major urban center is within two hours by car, these towns are even more appealing.

When HBCUs lack these student life, learning, and cultural amenities in their small towns or rural areas, geographic isolation is more of a problem, taking a toll on students and faculty alike, especially when they seek to attract young people from urban environments. The rural HBCU typically has fewer than 1,000 students. They are no match for New England or Midwest college towns, where the college population is more likely to be 2,000 or more. Weekend trips to “civilization” may be too costly for students to afford, and athletics are more of a hassle, as every game becomes a journey, and competition is weak because some schools are not willing to travel to rural locations that are not well resourced and attractive places.

Physical isolation also interferes with faculty recruitment, because rural areas offer fewer employment opportunities for spouses and educational options for children. Turnover is high because faculty leave as soon as they find a better opportunity that provides the community life and urban amenities they seek. Less-well-resourced institutions also tend not to provide faculty housing.

In contrast, in urban areas, urban decay is sometimes the major threat. A number of HBCUs

are located near zones of abandonment, disinvestment, and crime, and several of the HBCU presidents expressed concern about deterioration and described real problems experienced by their students, faculty, and staff. Crime can limit student access to internships and make evening students less eager to come and go at night. Campus policing is not generally effective in fighting crime, and some campuses already have campus police departments that are larger than their major academic units. Expanding such an already sizable investment would be difficult to sustain and of uncertain benefit.

In the 1980s and 1990s, two Ivy League institutions (the University of Pennsylvania and Yale University) found themselves surrounded by urban decay and crime. Concerned about the risk to and potential deterrence of students, faculty, staff, and visitors, both colleges embarked upon a major initiative using their own resources to leverage outside investment and public funds to upgrade the surrounding area for institutional purposes as well as for housing, commercial, and recreational facilities for faculty, staff, and students. Both were successful in transforming the area around the campus, and not simply creating a bubble that isolates the university.

Howard University is one HBCU that has been running a significant commercial revitalization activity for more than a decade in its

Washington, D.C., surrounding community. As measured by new private investment, university initiatives, and a more attractive environment, it has achieved positive results. However, most small colleges cannot easily mount the kind of neighborhood and commercial revitalization project that a large university can put in place. They cannot invest their meager resources, assemble land, leverage their dealings with public agencies, or generate demand for housing or a local hospital.

In such settings, local government may recognize that a college, hospital, or other facility is a permanent investment that deserves their priority collaboration as a major employer and community asset. Johnson C. Smith University, in Charlotte, North Carolina, is one small institution where campus planning and development have combined with a new commitment from the city to address some of these issues of campus enhancement and community revitalization. The verdict is not yet in, but this strategy is similar to what Howard University successfully leveraged in Washington.

The nexus of location, facilities, and environment is a key consideration for all HBCUs seeking transformation. Failure to successfully address a deteriorated environment can complicate and even negate some of the urgent transformational activities discussed in the sections below.

The HBCU Enterprise Model

Academic institutions, like any other enterprise, need a business model. A model specifies the nature of the academic enterprise and how the pieces of it are paid for: tuition, endowment income, gifts, grants, and fees. The model also frames how capital improvements (e.g., equipment, renovations, replacement) are made, and it specifies how amenities (e.g., sports facilities, scholarships for poor students, student services, faculty support appropriate for the peer set) are paid for.¹⁸

Even though the term “peer set” is imprecise, I use it here because the business model that seems appropriate or necessary at any given college has a lot to do with the standard set by the institutions to which the college compares itself. The peer set will have similar academic features, including enrollment strategy, level of tuition, average faculty salary, and typical financial aid package. The Ivy League is a peer set. Selective liberal arts colleges (such as Williams College and Amherst College) are a peer set. HBCUs might be a peer set, except that they are far too varied, and they number more than a hundred.

Institutions sometimes aspire to a different peer set and attempt to transform themselves to meet the standard of a different group of schools. Resources for the transformation come from fundraising campaigns or state resources.

Growth can also arise if faculty members are hired strategically to stimulate a focused and robust research agenda or new academic initiative. New resources from the outside may add buildings, support programs, or enhance infrastructure.

Change is often slow, occurring over a generation, but sometimes a decade is long enough to transform an institution’s reality and image. Transformational and visionary leadership can guide such a transition. A major gift or a state government appropriation can also stimulate change by investing in an academic activity that furthers its brand (e.g., a state-funded cancer hospital on a university campus, or an industrial incubator). Activating alumni is typically part of any major college initiative, since their gifts and support are critical. Lead donors emerge and often account for a large fraction of gift resources. The state, lead donors, and/or others want to be associated with positive changes in the status and impact of the institution.

The academic model for HBCUs is typically different from this standard model. Tuition and fees (from housing and dining) are the principal sources of operating revenue. Endowment income and gifts are not a significant source of funds. Tuition has historically been kept low to keep the school affordable, but low tuition

means lower salaries and an under-resourced campus. Services and staffing are low compared with what is offered by similar non-HBCUs in the same peer set. One HBCU president who had been a senior administrator at a small, private New England college of similar size reported that her administrative corps at the HBCU is half the size of what she had at the New England school. It is not a surprise that the tuition at the HBCU is also half that of the other school.

HBCUs host too little research to generate much support for faculty or facilities. The grants that HBCUs receive are typically restricted and modest. HBCUs’ endowments, when they exist, are insufficient to generate the income to give operating flexibility or to seed initiatives. Most students—up to 90 percent—receive some form of financial aid, but most of the aid is external. There is no large group of full-pay students whose higher tuitions cross-subsidize poorer students. (Well-resourced private schools typically discount their tuition so that one-quarter or more of the students receive this internally financed student aid. This is in addition to the aid from endowed scholarships and federal aid for eligible students.)

It is hard for HBCUs to raise tuition, because higher tuition means fewer students will be able to pay, and a lower enrollment means the institution’s budget cannot balance. Budget cuts go to the bone and muscle. Most of the private HBCUs have suffered at least modest declines in

enrollment, and as a result their revenue with small increases in tuition has been stagnant while costs (salaries, utilities, health insurance) have risen. Outside help that goes to the bottom line has not been robust.

Tuition at public HBCUs is also lower than the tuition at public PWIs, as are financial aid packages. While more stable than private HBCUs, the public HBCUs still show the consequences of being under-resourced over a long period of time.¹⁹

Notwithstanding these difficulties, a number of the institutions we looked at have made changes that point to the possibility of progress. Johnson C. Smith University is one institution that was able to get substantial foundation support to greatly upgrade the level of preparation of incoming students by admitting a smaller number of better-prepared students. This institution will also use external resources to make significant capital upgrades and develop the campus plan in a way that connects the campus with the surrounding community. New academic programs were designed to respond to regional market needs. As Johnson C. Smith makes its campus more attractive, it expects to increase class size to an appropriate and sustainable level by becoming an attractive, high-quality destination for strong black students desiring the benefits of an HBCU. Johnson C. Smith aspires to be in the peer set of Spelman and Hampton.

18. The major question for all small private colleges is whether their college model still works. HBCUs are part of that sector. This question is sharpest for small, private colleges that are not wealthy. For a skeptical view of the future of these schools, see Clayton Christensen and Michael Horn, “Colleges in Crisis,” *Harvard Magazine*, July/August 2011: 40–43. For another perspective, see Richard Chait and Zachary First, “Bullish on Private Colleges,” *Harvard Magazine*, November/December 2011: 36–39.

19. Actually, the resource situation is much worse because a competitive disadvantage is sometimes “baked into” the system and an HBCU’s ordinary operations, even when resources are not overly constrained by a fiscal crisis and budget cuts. For example, the flagship institutions in a state system may be able to hire professors and senior managers at competitive if not premium salaries, while HBCUs in that same system can afford only modest salaries. This means that HBCUs are unable to shift up in status by hiring more experienced professionals or scholars. Their lower salaries ensure a revolving door for less experienced and less competitive people. While this state of affairs is understandable at some level, a thoughtful review is in order to address a situation where, for example, a senior professor at an HBCU has a salary equal to that of an associate professor at other schools, including some schools that are not selective.

Several public HBCUs in North Carolina have made significant improvements through the use of state bond funds, adding buildings that are changing the look and feel of their campuses. Elsewhere, Hampton, Tuskegee, and Spelman, among others, have raised sufficient funds and large gifts to add new campus buildings. But these improvement projects are not limited to bricks and mortar; they also include process changes and other activities that at least partially reset the model to make these schools more attractive and competitive for students and their families.

Change in the HBCU model is critical to making the institutional transformations HBCUs will have to undergo. Without major new resources, large transformative leaps are unlikely. However, the discussion below confirms that small and steady shifts—in bricks and mortar, in attitude, and in enrollment—will boost confidence, both on campus and outside of campus, that a new, sustainable academic model is possible.

College Rankings and Institutional Impact

Rankings offer another way to view institution. College rankings are nearly always justifiably controversial. Skepticism that the rankings reflect differences in true value is warranted. While the validity and relevance of rankings are often challenged, no academic leader ignores them, and students and their families buy the magazines that sponsor them.

The best known of these is U.S. News & World Report’s yearly ranking of American institutions of higher education. The ranking creates a composite score based on academic reputation, selectivity, and various indicators of resource inputs such as class size, faculty salary and resources, and alumni participation. While some schools move up in the rankings and others move down, the positions are relatively stable. Richer colleges and universities, including a few public ones, are at the top of the ranking, and poorly resourced institutions reliably can be found toward the bottom.

HBCUs are invisible in these rankings. Even the strongest HBCUs are not ranked highly, with the modest exception of Spelman College, which the magazine has listed as one of America’s “best small colleges,” and Howard University, which was ranked 96th in 2011.

While the rankings lack some validity as indicators of quality offerings, the data on which the

rankings are built are important: Well-resourced schools with consistent input rank well. Of course, some poorly resourced schools produce outstanding students, and some well-resourced schools have a reputation that is based on research and not teaching.

Another ranking, by The Washington Monthly, takes a different approach. Rather than relying on reputation and resource inputs, the Washington Monthly ranking focuses on outputs—the production of social mobility, research promise, and service. Like other ranking models, the Washington Monthly rankings have severe problems of validity, but the data on which they are based do provide important windows on the contributions HBCUs make to their students and to society. Our focus here is data from components of the ranking, and not the rankings themselves.

The first part of the index aims to measure social mobility. Based on Pell grant data, it ascertains how much schools exceed expectations in graduating the low-income students who receive the grant. The low graduation rates result not only from the effects of poverty, poor preparation, and the quality of the high schools that students attend, but also from experiences in college and in their lives that sap their motivation and sense of academic

engagement. Of course, for some low-income students, the college experience is a salve, and it stimulates engagement and achievement.

Some HBCUs graduate students at a higher rate than predicted. In so doing, they contribute to the social mobility of their graduates. Low-income black students at HBCUs are more likely to graduate than their black peers at some traditionally white institutions. Some of the better-known HBCUs have graduation rates that exceed the average graduation rates of blacks at nonselective colleges and universities.

The second measure in the index explores how well schools prepare students for PhD programs. This measure is normalized for school size. Most HBCUs are small, liberal arts colleges. This results suggests that HBCUs perform well among small colleges in preparing young people for PhD programs. A handful of HBCUs produce a large share of the blacks who go on to obtain PhDs. This contribution is significant, historic, and continuing. We explore this in more detail below.

A third part of the Washington Monthly ranking evaluates how well schools produce graduates who pursue public service careers. Blacks are more likely than whites to work in the public or nonprofit sector.

While all rankings have serious problems, the Washington Monthly rankings have some im-

portant external validation in the points below.²⁰

1. While HBCUs represent 4 percent of all four-year institutions (and are nearly all small), they award 21 percent of undergraduate degrees that blacks earn.
2. Twenty-two percent of the HBCUs have graduation rates that exceed the national average for blacks, which is 42 percent (versus 53 percent for whites).
3. HBCUs produce a large percentage of all black students who earn undergraduate degrees in the sciences. While less than 15 percent of black college students attend them, HBCUs produce the following percentages of undergraduate degrees earned by blacks:

18% engineering
31% biological science
31% mathematics
21% business and management
42% agricultural science
17% health professions

4. Eleven HBCUs are among the 15 top institutions graduating the most black students earning degrees in the physical sciences.
5. Of the top 10 producers of black graduates who go on to earn PhDs in science and engineering, eight are HBCUs.

This discussion of ranking brings out several points about HBCUs. First, and not surprisingly, HBCUs do not rank well when it comes to status based on academic reputation and resource inputs, but as a sector they have contributed, and continue as a critical contributor, to black educational and professional success, and they make key contributions in areas important to the nation's goals. This oversized contribution to the black STEM cohorts by a relatively small group of small schools is significant. Any loss of producing schools would be a major blow to the nation's STEM education goals. Any gain—from larger enrollments or higher graduation rates—would represent a major and additional contribution.

A second point is that some HBCUs are consistently high performers in producing competitive students for graduate and professional schools and for the workforce. It is also clear that high performance is not limited to the few well-known schools such as Spelman, Howard, and Hampton, but that it also extends to Tuskegee University and Xavier College and some other private schools, as well as to some of the public HBCUs. And it is also clear that some HBCUs are part of the bottom rung of higher education as measured by student graduation rates.

Last, it may well be that, as some of the presidents insist, the success that HBCUs have achieved comes from their “tight embrace” of students who are identified as especially talen-

ted. These embraced students have an outsized chance of success because of their innate ability and high expectations, and a generous share of limited resources is lavished on them. This might explain why, despite a number of indicators that do not distinguish Xavier College from some other HBCUs, it does provide an abundance of very well-trained science students who are sought by the nation's leading medical schools and PhD programs in science. This is a simple illustration of the power of expectations, and it may also be the 21st-century version of the focus on the “talented tenth.”²¹ If so, this is great news for the top 10 percent. The very bad news is that talent extends well beyond the very top performers in “talented tenth.” Many talented young people are lost or not supported to be the best they can be. Sadly, high dropout rates across a variety of institution types point to the loss of young people whose talents are not fully developed.

20. Joan Burrelli and Alan Rapoport, “Role of HBCUs as Baccalaureate-Origin Institutions of Black S&E Doctorate Recipients,” National Science Foundation, NSF 08-319, August 2008.

21. The term “talented tenth” was coined by W.E.B. Du Bois in a 1903 speech, in which he asserted that “[t]he Negro race, like all races, is going to be saved by its exceptional men. The problem of education, then, among Negroes must first of all deal with the Talented Tenth; it is the problem of developing the Best of this race that they may guide the masses away from the contamination and death of the Worst, in their own and other races.”

Public HBCUs

Up to this point, we have only occasionally discussed the differences between public and private HBCUs. Except where noted, most points have applied to both school types. However, it is important to look separately at public HBCUs. Because they are publicly subsidized, it is not obvious that these schools would be under-resourced relative to their same-tier peers, but because of past and continuing discrimination, they, too, are under-resourced.

Our review of public systems is targeted. We undertook a scan of public systems in the South to identify the state system that best embodies past patterns and best exemplifies the transformation HBCUs must undergo in the future if they are to become stronger. We selected North Carolina as the system offering the best opportunity for gaining insight on public HBCUs. Five of the 16 campuses of the University of North Carolina system are HBCUs. Each campus has its own board and chancellor. The system has a president and a board of governors.

Of all of the states in the South, North Carolina has been a consistent leader in supporting the higher education sector. Three features that characterize the system—integration, consistent investment, and accountability—have been ratcheted up in the past decade. (By integration, we mean that the programs, budgets, and resource allocation metrics for evaluation

are applied to all of the institutions.) North Carolina’s higher education budgets are strong compared with those of some other states. In the past five years, as states have cut their budgets, North Carolina’s cuts, albeit very painful, have been less deep. In the past decade, the campuses in the system just completed a \$3 billion capital development initiative financed by state bonds. Program choices and resource allocation pass through both a local filter (the campus board of trustees) and a system filter (the system’s president and board of governors).

The system exhibits accountability because it increasingly allocates resources based on performance. It approves academic programs based on judgments about regional and state needs. Duplication is discouraged, and resources are provided to support program goals and approved growth. Quality enhancement is a system goal.

All of this is not to suggest that there have not been serious patterns of unequal treatment over the long history of these schools. These schools’ history shows a consistent pattern of inequality between HBCUs and other higher education institutions, and between flagship and non-flagship schools. The more progressive history is recent, over the past decade.

The recent experience of North Carolina’s public HBCUs represents a partial view of the actions HBCUs will need to take to be sustainable. Based on visits and interviews at three of the five schools, we conclude that the future will need to be characterized by strong financial operations, strong executive leadership, strategic enrollment management, new programmatic ideas for advancing the mission, and capital improvements. Specific metrics for each institution will be critical to allow transparency and accountability.

To suggest that public HBCUs in North Carolina are on a path that deserves attention is not to suggest that they are perfect or that they have completed transformation. They have not. Although they have made some progress in the past decade, they have also made some mistakes. Nevertheless, they stand as a tentative model for what is possible, and they present a potential process for the transition.

The financial model for these schools was not included in this inquiry. It is too early to discern the model given the yearly shifts that reflect the recent recession, policy changes in the state, campus reallocations, multiple budget cuts, and one midyear rescission.

In our discussions with chancellors at three HBCUs in North Carolina, we explored five areas: leadership, physical infrastructure, curriculum, metrics of accountability, and expectations.

Each of the three chancellors is an experienced educator and administrator, with considerable experience outside of the HBCU sector. When questioned about successful leadership strategies, each emphasized the need for extensive teambuilding to get top people in key academic and administrative positions. None found strong teams in place upon arriving. Each was articulate about actions taken by previous administrations that had put their institutions at some risk or had created problems they had to address. Each had developed strategic plans that articulated the path forward. Finally, each faced some opposition, most often from alumni (opposed to admissions policies), that had to be addressed in order to make the desired changes. All of them received strong support from the system office.

Infrastructure is a big issue on HBCU campuses, in terms of both deferred maintenance and limited computing power for academic and administrative uses. The \$3 billion voter-approved bond issue, in addition to increasing space for growth, addressed some of the deferred maintenance and created facilities that advanced research and development. Expansion of laboratory space and associated infrastructure partially explains the dramatic increases in research at these schools at a time when national research levels were flat. One of the three HBCUs tripled its research volume over the decade, from \$18 million to

\$60 million, putting it in a strong position in the system relative to the other non-flagship campuses. New faculty hires also played a role in boosting research capability.

None of the campuses has totally completed its transformation and infrastructure upgrades. Each institution has particular problems that it views as a source of great difficulty. One, for example, has not made desired upgrades in its residential space, and its student center is too small to adequately serve the student body, limiting the co-curricular activities so important to student development.

These three public HBCUs have also included curriculum reform as a major part of their plan for the future. One institution completed a review that led to the elimination or merging of several departments and the creation of new majors to match regional market needs in biotechnology, criminal justice, and nursing. At another institution, the faculty has voted to make major curriculum changes, and they are busy working out the details of the reform they have embraced.

All three of the UNC HBCUs have also focused on enrollment management as a key area of action, including both enrolling students and ensuring quality composition of the student body. In 2003, the central administration of the university gave campuses a green light to increase enrollment to meet expected growth in

the number of college-bound students. The bond issue made it possible to support this growth with new buildings and facilities. Operating budgets were increased, and support was provided for special initiatives. Tuition growth was limited, in an explicit attempt to keep the university accessible. The system requires at least 25 percent of tuition growth be directed to student aid.

But some of the HBCUs expanded enrollment much faster than they could identify and enroll capable students. The result was growth that, at the margins, was “open admissions.” Students likely to fail were admitted in high numbers, and both graduation rates and persistence rates fell to unacceptable levels. All three chancellors inherited some version of this story from their predecessors.

The North Carolina system recently changed this policy, stipulating that student success metrics should guide the review of budgets and proposals. There would be no budget support for expansion of institutions that failed to make progress on the metrics. The student-centered metrics focused on the qualifications of admitted students, the persistence rate (percentage of first-year students who returned), and graduation rates. Implementation of this process is ongoing.

For one institution, a major strategy for meeting the quality metrics was to divert poorly

prepared students to a local community college, with the promise to the students that they would be accepted to the university when they met certain milestones. In the meantime, the diverted students could participate in campus activities and enjoy the “embrace” that the school feels is critical for their ultimate success.

This story reveals a way HBCUs can hold on to their mission without degrading their brand. Enhancing the quality of the student body in a way that preserves the mission of providing opportunity for a broad range of students who eventually achieve at standard schools can be a point of pride. This process also restores the faculty’s ability to focus on producing excellent students, rather than devoting resources to students who are not prepared and are not likely to be motivated to succeed. With this change, colleges can raise expectations of student performance and support students in reaching ever-higher levels of achievement that are documented by the Washington Monthly rankings and by other evidence presented above.

Improving the quality of the student body means focusing on enrolling students who have the preparation to be successful. This is an important part of the transformation HBCUs will need to engineer.

Legacy Traditions

All institutions have legacy traditions. Traditions are often criticized as historical anomalies or arcane habits, but not all traditions represent problems. Some define an institution’s core strength or brand. Colleges benefit from the traditions of strong teaching, perennially successful athletic teams, loyal and generous alumni, and a focus on student development. Some institutions are branded by their undergraduate teaching, while a research luster brands other schools.

However, there are traditions that have ceased to be helpful and that may prove destructive or inefficient in the future. Institutions may need to move from stodgy-and-traditional to experimental, from paternalistic to collaborative, from teaching-centered to learning-centered. Strict academic disciplines might need to share space in the curriculum with interdisciplinary or professional courses. Nurturing students in the 21st century might look quite different from the 20th-century style of engagement with students.

Colleges that had presidents who were paternal, visionary, and effective might need to realize that in the future the most effective president may need to be flexible, collaborative, and entrepreneurial as well as visionary. A constellation of good features (for example, “new traditions”) will provide an institution with opportu-

nities to prosper and to attract talent and support. A cluster of other features not consistent with current requirements for leadership might prevent an institution from a necessary transformation.

The survival of HBCUs over the past 150 years and their success in preparing generations of poor and underprepared individuals to take positions of leadership testify to the impact and durability of HBCUs’ traditions. HBCUs have served generations as ladders of opportunity.

If we admit that some institutions have traditions that are not helpful in the 21st century, it might be helpful to identify a couple of these to suggest how they may present problems today and why a different perspective or approach might be necessary in the future. I will discuss only two traditions to illustrate the point. Each institution must determine whether it holds mindsets, traditions, or assumptions that impede necessary change. What follows is merely illustrative.

HBCUs have prided themselves on creating a “family” environment. The “family” tradition is the most commonly articulated legacy and feature of HBCUs. Most of the presidents and chancellors I interviewed mentioned it, and only two raised concerns about it. This tradi-

tion requires attention to the needs of students, many of whom are were among the first in their family to go to college. Expectations are moderated in ways that families might relax their expectations of kin—expecting much of certain family members and not so much from others.

In the HBCU setting, the president and faculty have been in loco parentis. As in a family, the HBCUs paid close attention to the survival and success of students but put little governance in the hands of the faculty. The presidents expected conformity and strict discipline within the regime they defined. Metrics and standards were largely internal. On some campuses, presidents were feared, while on others they were simply strong father figures.

Students and alumni often attest to the benefit of this structure and express appreciation for it. Because the college family helped them on a journey from the margins of society to leadership in their professions and communities, this gratitude is not a surprise.

Many now regard this model as dysfunctional. Students now expect more freedom and rights. They are consumers, and they take note of the “culture” of places. They do not seek parents; they seek support, which means engagement. Trust is earned, not granted. Young faculty may also find the old culture oppressive, both in tone and in the expectation that they will act as agents of family power. Junior faculty members

today expect to receive support for their development as scholars.

Changing the model, however, requires some engineering. Schools that attempt to buck tradition by giving faculty more autonomy often encounter resistance from current professors, who may be unsettled by sudden shifts to new ways of engaging faculty. One president pointed to an effort on his part to assign responsibility for certain functions to a faculty group and to delegate budget authority to them. He reports that the faculty group was paralyzed. They had no idea how to develop a program, determine “best practice,” engage others in framing and designing a program, or implement a program. In this case, faculty were handed a new responsibility for which they were not prepared. Empowerment of faculty is thus part of the challenge.

Not only will institutional transformation require faculty to take on new assignments and leadership, but it will also require making the environment attractive to the young faculty members who will need to be recruited in ever-larger numbers as senior faculty retire.

Another drawback of the family legacy is that it can signal to some members of the community an aversion to excellence or professional standards in customer service. Acceptance of long wait times and inferior or insensitive

service is analogous to the accommodations that families make for relatives. Such shortcomings are increasingly unacceptable to students and their families. Several of the presidents, without acknowledging anything was wrong, cited improvement in customer service as an important goal. On one campus I visited, posters about the importance of service quality and attitude were prominently displayed, starting at the front gate.

Not only is the necessary shift to better customer service critical for internal stakeholders, but it is also important for external stakeholders who complain that HBCUs sometimes are not transparent or timely in responding to queries or reporting on results. Campus leaders will have to convince both old and new players that they are not like this. The sentimental Southern corporate player who knows the school and may have been inclined to support the school without information or accountability has been replaced by unsentimental, data-driven executives. A college will need both a compelling president and an “A” team and a “B” team composed of impressive players who can operate in this new impact- and results-driven philanthropic and corporate world. Similarly, the public higher education domain is becoming more focused on metrics and performance-based funding.

A second tradition—that of “by myself” or “on our own”—reflects the historic necessity to hunker down and try to create a way out of no

way. The outside world could not be relied on. Because schools could not afford to be distracted or dwell on their shortcomings, they often insulated themselves even from the surrounding community because they had few resources to share and did not want to be diverted from their missions or let limited resources be diluted.

Happily, we found several initiatives that represent a departure from this view. For example, for many years Morehouse College has engaged in a collaboration with Georgia Tech that provides Morehouse students with access to an engineering curriculum that Morehouse did not have and could not reasonably implement. Other schools have agreements with community colleges to offload students whose limited preparation makes it difficult for them to succeed in college. Such collaboration agreements are now more common.

Going forward, the “on my own” mindset is even more problematic. One institution, in a bold entrepreneurial move and with great leadership on the part of the president, created a major clinical and research facility on its campus that seems quite promising as a free-standing entity owned by the university. However, when asked how this facility advances its educational program, the institution says there is no connection at this time. Similarly, the facility is not connected to local medical schools or regional health care systems. The

educational issue will be addressed. But in the present health care environment, most universities with such an asset would eagerly seek to embed themselves in a collaborative relationship to advance their bottom line and discourage potential competition.

Collaboration among institutions of higher education is not new. The urgency to collaborate now is strong even among institutions that are very well resourced. Partners have an incentive to work together. What is new is the growing necessity to collaborate in order to survive and be successful. Collaboration is now best practice.

HBCUs have been reluctant or slow to initiate collaborations, though this is changing. In some cases, they have actively isolated themselves because of a legitimate perception that they would be, or would be treated as, junior partners in the collaboration. If they collaborate without their own resources and without a deep research bench, the senior partner often gains a larger (and better funded) share of the contract. For example, the HBCU gets the outreach and clinical components of a major contract, and the support for the science (and the infrastructure) goes to the predominantly white institution.

Disagreement within the HBCU may also prevent collaboration. The president of the institution may welcome any opportunity to bring in resources, to be a good citizen, or to utilize capa-

city, however modest, but the faculty may gain little from the collaboration and may even feel “second-class” or used.

Transforming this tradition is critical for HBCUs, especially for those that aspire to host doctoral or professional programs. In the sciences, cross-institutional teams are the norm. A robust research program is critical to recruiting the next generation of faculty.

HBCUs may not always be able to initiate or advance a collaborative effort on their own. It may sometimes be necessary for government agencies, foundations, corporations, and others that sponsor research to do broad outreach in putting together teams and to bring in new or underused talent and institutions. Help may take the form of an intermediary to bring partners together. While some institutional leaders are able to avert clumsy and insensitive engagement, this may still be difficult enough that collaborations may need to be softly engineered. In some cases, it may make sense to bypass institutions and go directly to engaging HBCU faculty to be part of research teams in area labs. This is especially the case when the HBCU lacks the expensive infrastructure that faculty need to advance their careers.

The Way Forward

The previous sections outlined the historic mission of HBCUs and the continuing need for them to play a role in higher education of young African Americans and others. They also concluded that under-resourced institutions face challenges that undermine their ability to succeed at their missions or even survive.

HBCUs will have to update their missions and attract additional resources. Even the institutions that are stronger and historically better off are under stress. The next section outlines some future sources of stress facing higher education as a whole and the special risks or opportunities they hold for HBCUs.

HBCUs will need visionary leadership and strategic plans to maneuver through the risks and opportunities they face. Several of the presidents and institutions included in this study had both the leadership and the plans. The successful execution of these plans, or progress on them, has demonstrated that HBCUs can make changes towards sustainability. The plans on which the schools are operating reveal several common features:

- 1. Clarification, restating, or updating of mission
- 2. Changes in enrollment strategy to attract and enroll stronger students

- 3. A method to address the needs of less-well-prepared students who might have been admitted in the past but are not admitted now
- 4. New majors or programs to address local opportunities
- 5. Strong focus on recruiting a competent and experienced executive team
- 6. Strategic allocation of new faculty hires
- 7. Support for and investment in research infrastructure
- 8. A campus plan to prioritize opportunities for new construction and major renovation
- 9. Enhanced campus life and student development, including facilities and support

The plans did not typically include the following acknowledged issues:

- 1. Faculty renewal
- 2. Board development and engagement (fiduciary, strategic, and governance functions)
- 3. Pedagogy
- 4. Student advising
- 5. Staff development

- 6. Financial operations
- 7. Communications strategy
- 8. Accountability

In addition to a strong leader and a plan, success requires that others—internal and external—understand what is being attempted. Communications and even branding are required to:

- 1. Identify internal champions and partners
- 2. Inform external stakeholders who need evidence that change is occurring in the right direction
- 3. Change public perceptions about the school, including those held by alumni
- 4. Reach new markets for talent in faculty, staff, and students
- 5. Mount a campaign for resources
- 6. Reset expectations about the college and its contributions to the local community
- 7. Present accessible and up-to-date information about the school to outsiders and insiders

The last points are critical and deserve more attention. Expectations for change in higher education have been increasing, as have expectations for disclosure regarding cost, effectiveness, and student success. These expectations come from the campus community, including alumni, students, and their families, as well as

from donors, public agencies, and the general public.

Institutions of higher education have not excelled at transparency, but HBCUs need to embrace this challenge, both because they have no choice and because it will help combat misperceptions, engage potential partners, and facilitate a stronger fiduciary role on the part of trustees and agencies.²²

The federal requirement for posting information is quite limited. One tool to increase accountability and transparency is a dashboard—a publicly available document that conveys how an institution is performing on a host of indicators, including student demographics and preparation, student outcomes, program success, and financial operations. The dashboard can also include other components that serve other institutional purposes: progress on deferred maintenance, progress on fundraising, or components of student life.

While the “daylight” of transparency can illuminate problems not previously disclosed or understood, a dashboard can also show progress to outsiders in a more credible and compelling light than can earnest brochures, state-of-the-campus updates, and annual reports. Digital technology has created an expectation that data will be available to the curious to do their own research and due diligence.

22. The Higher Education Opportunity Act of 2008 (HEOA Public Law 110–315—Aug 14, 2008) requires colleges that receive federal student aid to post on a website accessible information about their tuition, fees, and other expenses.

Meta-Strategies and Options for Transformation

Initiating and advancing academic transformation is complex. It will also become common.²³ The expression of an intention and a broad strategy are the critical first steps. Since outsiders and some insiders may be skeptical, communication of the intention is important. This requires assertion of both the core mission and the necessary changes it will make to refresh the mission. A rigorous planning process will help an institution identify a set of improvements and process changes that, if implemented, can create a path to a more sustainable status and attract a much needed tranche of resources. While it may not be clear where the resources will come from, it is clear that there is little chance of obtaining new resources without making a fresh case for how they will be used in a climate where the focus is on student success and American competitiveness.

There are two possible high-level approaches to transformation. In the first, an HBCU attempts to transform itself to become more competitive with other institutions in its peer set. Change that confirms a higher status in its current peer set or movement to the new peer set would be evidence of success. For example, a few years ago, Johnson C. Smith established the goal of becoming competitive with strong HBCUs such as Spelman or Morehouse. It has been making changes to attract students and faculty who would not consider Johnson C. Smith now.

The public North Carolina HBCUs considered in this paper offer examples of this. Their expressed goal is to be in both the peer set of non-flagship units of the university system (not in a lower-quality subset) and in the peer set of strong private HBCUs such as Hampton and Tuskegee. They have outlined what is required to enter those peer sets.

There is evidence that this process is proceeding well for both Johnson C. Smith and the public HBCUs in North Carolina, but more time is needed. In addition to indicators of progress, schools need to attend to external perceptions of progress. Success with their plans would make the schools more sustainable because they have realigned their mission, approach, and resources. The key metric will be the quality of the student body.

A second meta-approach to strategic repositioning or transformation does not assume that competition is necessary for success or that a school has a peer set to aspire to. Institutions that are historically and currently severely under-resourced may not be able, no matter how hard they try, to catch up and be competitive with institutions that have historically been resourced.

An approach for these weaker, under-resourced HBCUs may be to create a new value

proposition and avoid being bloodied in an ocean of academic sharks. As individual institutions and as a set of institutions, they can form a “blue ocean” in which they can prosper because they offer something attractive and different from the institutions with which they are now compared. In corporate terms, rather than offer a noncompetitive product into the market, they would offer a new product or product category.²⁴

Simply declaring that one is in the “blue ocean,” of course, does not make it so. Such a declaration in the absence of a compelling presentation will hasten the institution’s demise by confirming that it is unattractive compared to others. Such institutions will be on a sure path to closing, because donors—alumni and others—will not feel comfortable making significant contributions. However, with visionary leadership, a competent team, and additional and redeployed resources, a “blue ocean” strategy can present a new combination of features to foster sustainability.

Presenting a bold new vision is not a new phenomenon in U.S. higher education. As noted earlier, colleges change, and new kinds of institutions appear. Colleges were established or changed to accommodate increases in the immigrant population in eastern U.S. cities, providing immigrant students with mobility opportunities in an immigrant-friendly environment. Some of these institutions would remain small and religious for a long time, but others, like

Georgetown and Notre Dame, would become major national universities.

There are other examples. Specialty schools in music, design, literature, and global outreach have emerged over time as institutions have struggled to distinguish themselves. These schools might at first glance appear to be small liberal arts schools, but closer inspection reveals the qualities that really attract students. Harvey Mudd College, in California, has become an outstanding small school focused on STEM fields. Becker College, in Massachusetts, offers a variety of pre-professional programs and a collection of majors that address regional opportunities (animal husbandry and nursing) as well as new fields (gaming and hospitality). Berklee College of Music, in Boston, went beyond traditional music school offerings to achieve excellence in multimedia, music therapy, and music education.

The historical struggles that spawned HBCUs continue, even though the contours of the struggle have morphed. Institutions created to provide higher education in this context similarly have to morph by finding new ways to be helpful and bridge the gaps in their communities. They have to find particular ways they can offer real value, because they will not achieve excellence or attract the best students if they present themselves merely as traditional small liberal arts colleges. Presen-

23. *While change may not always be touted as transformational—so as not to offend alumni who dislike change—colleges are constantly trying to position themselves relative to some new anchor, national trend, generational shift, or academic niche. The fact that the next generation of college-age young people will be increasingly students of color, all schools will look to position themselves relative to this shift. Schools that in the past were indifferent or lukewarm to minority recruitment will find it necessary to focus on this group and develop a strategy to succeed in attracting these students. This shift will create direct competition with HBCUs (often in the same geography) as they attempt to reignite their historic claim in this demographic.*

24. *W. Chan Kim and Renee Mauborgne, Blue Ocean Strategy: How to Create Uncontested Market Space and Make Competition Irrelevant (Cambridge, MA: Harvard Business School Press, 2005). The author reviewed documents prepared for Johnson C. Smith University’s consideration of this approach.*

ting themselves as having depth, passion, and quality in a specific set of professional or academic areas can make them attractive both to their traditional target group and to others looking for a special opportunity.

Once a school decides to embrace transformation, the next step is framing the planning process to outline a new vision for the college. The central question is what institutional, programmatic, or enterprise shifts are required to advance the new mission. Each institution will need to develop its own answer to this question based on internal processes and consultations with stakeholders and experts.

While this paper does not presume insight into individual institutions, we do view transformation as having four broad features: internal changes and operations, new program offerings, institutional changes, and collaborations and partnerships. Each of these is discussed briefly below.

Internal Changes and Operations

Colleges and universities are complex and conservative organizations. Any effort to change them should proceed with a clear understanding of the goal, the organization, the people involved, and a process to frame the best path toward change.

A number of consulting resources exist to help institutions address conceptual, cultural, finan

cial, and operational issues. Some institutions might be inclined to carry out this process all by themselves, making the argument that outsiders could not possibly understand the challenges they face. However, strong outside professional teams can add great value. Experienced consultants can bring in new information from the outside and share institutional learning from a variety of settings. They can ask experts as well as consumers and college employees questions that might not arise in a process that is internal. They know what emerging practices are, and where resources exist.

Another approach to internal operations is to gather insights and best practices from peer institutions. Again, HBCUs are sometimes reluctant to do this, making the argument that their institution and legacy are special and that they served the institution well in the past. Although this may be true, their legacy may not serve them as well going forward.

New Program Offerings

Colleges of arts and sciences and liberal arts colleges (and their faculty) are proud of their disciplinary tradition and are loath to change it. They are also unwilling to allow their curricula to be overtaken by what they regard as “training activities.” Nevertheless, many colleges have more majors than they can adequately support, and students and employers alike complain that the education students

receive does not really prepare them for the world of work.

Increasingly, colleges of all sorts, including very large and prestigious institutions, are trying to offer a professional component in their baccalaureate programs. Majors in human services, aspects of engineering, and allied health, among others, are gaining considerable traction in small liberal arts schools. These activities have professional credibility and market attraction, and they do not interfere with providing a basic liberal arts education, though the number of traditional liberal arts majors may be pruned to match resources. The professional offerings should reflect local and regional opportunities and trends.

New program offerings may also include some more adventuresome initiatives. For example, many HBCUs are increasingly burdened with greater numbers of students who are unprepared for college-level work. These students may have ability and motivation, but not preparation. One welcome resource would be a “13th year” curriculum to support these motivated students. Instead of forcing students into college courses for which they are not prepared, this curriculum could prepare them for college-level reading, computation, and analysis as well as soft skills and career considerations. If these courses of study are rigorous, intense, and focused on developing the whole individual, HBCUs could create a cadre of prepared students

who would be attractive to a host of institutions, including their own.

One example of this approach is the Biddle Institute, set up at Johnson C. Smith University as part of a strategy to limit freshman enrollment to students who are prepared for college work.²⁵ While it is too early to assess this initiative, it will be an important contribution if it works.

The poor quality of the K-12 education to which many black students are exposed creates a need for this kind of offering. The question is who will take up the challenge. In the Biddle case, current flexibility in Pell grants makes this effort viable. One risk to this approach is the possible reduction in flexibility of the Pell grant program. It is possible, but not a given, that community colleges will be able to play this role.²⁶

Finally, an increasing number of adults today are returning to school to initiate college or to complete unfinished degree coursework. This population includes many veterans, who have the additional burden of transitioning back to civilian life, as well as blacks who started college but did not finish. Colleges can target this population for free-standing continuing education or transitional programs that prepare this older population to integrate more seamlessly into the general college population. Some HBCUs could mor-

25. From their inception HBCUs sometimes offered pre-collegiate courses or attached high schools to prepare young people who had talent but who lacked preparation. Many of these pre-collegiate programs were terminated by the 1930s and 1940s as public high schools for blacks became more common in Southern cities.

26. The community college sector is getting new attention and embracing new ideas. Some colleges are leaning toward a more collegiate approach and are even considering offering four-year programs. Others are advancing trade and certificate programs, and still others are focusing on pre-professional programs. Some want to increase the number of students aged 18–24. While some community colleges may partner with local HBCUs, others may become competitors.

ph to embrace an adult learning model in which, for example, a school focuses on human services—basic degree programs, cooperative education, continuing education for local professionals, and collaborations with local agencies.

Institutional Changes

As part of their transformation efforts, HBCUs might undertake changes in boundaries and scope. These changes can be accomplished in two ways. First, institutions can set up satellite campuses. If, due to geographic isolation, an institution cannot scale up a certain set of activities on-site, it can offer services in another location where demand exists. Universities of all sizes are looking for these academic vacuums and considering programs to meet important needs.

The second, more radical, change is for one institution to merge with another. If at least one of the institutions lacks the ability to transform, and another institution is in a similar situation but perhaps is better located or has more updated facilities or is public, combining institutions and resources might enable the stronger school to advance a mission the two schools share. The merged institution could bring to the deal the proceeds from the sale of its real estate.

Collaborations and Partnerships

HBCUs could pursue partners with whom they can exchange value, so there is a net benefit to

each. For example, as mentioned earlier, Morehouse College has been collaborating with Georgia Tech for many years. This collaboration allows Morehouse to offer its students an engineering option without having to create an engineering school, and it provides Georgia Tech with a diversity and exchange on the campus that would otherwise not be possible without expansion and enhancement of its own diversity efforts. Other examples are the collaborations between the medical schools at Howard and Georgetown on translational medicine and Howard’s collaboration with the Environmental Protection Agency on environmental engineering. Both collaborations have potential for rich rewards in raising Howard’s research profile and teaching programs, both of which have the potential to attract faculty and students.

Another type of collaboration may exist between a college and local business, to provide internships, access to jobs and equipment, and opportunities to develop “soft” professional skills. A similar arrangement can exist between a university and a nonprofit such as a social service organization or hospital. The nonprofit gets the benefit of engaging students as potential employees, and the college benefits from an expanded pedagogical arena as well as a strong competitive offering in service learning.

Finally, colleges can make some of their own assets more available to the community. This

can include letting their facilities be used for adult and community activities, music performances, and sports groups. This sharing can be a source of community pride, free advertising, and even revenue. Opening up to community use can be a tool to both increase collaboration with the community and bring more value to students and faculty as they participate alongside community residents. Colleges can also sponsor summer educational programs and host agency or company events. A safe and accessible campus will have an easier time recruiting as new offerings are presented.

New Enterprises

Colleges and universities across the country increasingly look to enterprises as a way not only to expand their mission but also to generate new revenue. New enterprises should be self-sustaining, and, to the extent possible, they should allow an institution to gain resources that it otherwise could not obtain.

Online education is one of the most widely anticipated enterprises colleges are pursuing, but as yet there is no best practice that produces net revenue for small colleges.²⁵ Some for-profit schools are attracting online students mainly through promotional and marketing material, rather than through evidence that they are selling a good product. What remains to be developed is an online campus model that focuses less on technology and more on pedagogy to help less-well-prepared students succeed in col

lege. This would require a major investment, but it is also a chance for an institution to distinguish itself and leverage its resources. Online education is already highly profitable for some schools, but the real controversy is whether it is educationally beneficial enough for a college to embrace in a substantial way. A successful model for small colleges is likely to come only with a collaboration among several schools and an external funder to cover the start-up costs.

Another enterprise that is less likely to yield a net gain financially but clearly advances an institution’s mission is the creation of a charter school. Many HBCUs operate in communities that are not well served by public schools. Creating a charter school lets an institution be reimbursed for the costs of some of its real estate while offering the community a higher-quality education. Not all charter schools are effective, but the university that is willing to invest in developing a charter school as a first-class offering from the start will create a valuable connection to its community. If the charter school is a secondary school, it may yield an even more direct benefit as a feeder school.

A final opportunity for new enterprise comes from the college’s own real estate. Many of the presidents we talked to lamented the physical deterioration of housing or other facilities and the lack of investment in them.

25. *The field of online learning is developing rapidly among public and private institutions. New explorations by consortia of major institutions have emerged in recent months. There is no real evidence that the model is “low-hanging fruit” for small institutions, especially those with limited resources. Even well-off private colleges may need to be part of a larger effort. For a summary of issues related to small colleges and online education, see Al S. Lovvorn et al., “Lessons Learned from Lessons Learned: The Fit Between Online Education ‘Best Practices’ and Small School Reality,” Online Journal of Distance Learning Administration 12 (4), Winter 2009.*

Many of these campuses have land as well as access to public agencies. They could be in a position to lead a set of stakeholders in redeveloping the area. Success on this front would make the college attractive to evening students and other prospective students who live off campus, and provide services that would make the campus community more fully functional. Howard University's real estate activities, for example, have boosted local residential and commercial development considerably. Hampton's purchase of commercial property near its campus gives it great influence and potential financial gain in developing the property.

The approaches listed above are examples of the kinds of initiatives that are possible to support transformation. Various combinations of these and other ideas schools will discover would signal dramatic change in an institution's intentions, which, combined with vision, are important in soliciting resources to make transformation happen.

Even though the evidence is compelling that schools can advance their missions through transformational activities, convincing stakeholders may not be easy. Some alumni will be hostile to change. State officials may misunderstand and view these shifts with a too-narrow lens. Students and their families, who have become more discerning consumers, might not initially embrace efforts that will take some time to mature. Finally, faculty and staff may fe-

ar that the planned changes will not serve their interests.

But the evidence from a number of sources associated with preparing this paper points to a different picture.²⁸ In town halls and in small group meetings with HBCU faculty and staff, as well as with presidents, there is a strong understanding of the need for change. Even though it is not completely clear precisely what the changes should include, the understanding of the need for change, and willingness to participate in framing change, is strongly evident.

28. The author attended various meetings with HBCU leaders, administrators, and faculty in Washington D.C., Raleigh, North Carolina, and Nashville. The meetings were organized to address issues at HBCUs in general.

Conclusion

This paper has focused on the future of HBCUs as a set of historically underserved institutions that have faced difficulty and face challenges now. We have pointed to the many past and current contributions these institutions have made, especially the contribution to developing black scholars and professionals in STEM fields, and we have outlined the urgent need for these schools to prepare for a future in which they can advance their mission in a sustainable manner.

This transformational challenge will not be pursued in a static environment or in a vacuum. Sources of leverage and resources that were available a decade ago may no longer be available. State budgets have declined, foundations are more strategic in their educational funding, flexible resources that institutions once possessed have been used up, and quality expectations from students and their families have expanded.

The negative shifts stand next to some positive ones, but the only wholly positive shift in recent years is the focus on student success. Nearly every major agency and foundation cites this in some way as the core of its expectation for investment. This is also the centerpiece of federal educational policy. Progress that HBCUs make in this arena will be welcome. Thoughtful, strategic, and creative suggestions and approaches

on this issue will be the best basis on which schools can receive support for transformation. Major resources for general and unrestricted support are not available. Funders want to invest in potential and measurable impact.

Yet higher education moves on. Listed below are some dynamic shifts and environmental changes that are occurring or might reasonably be expected in the near future. This is the environment in which transformation will take place.

1. Pell grants, which have been a major resource and core financial support for students at HBCUs, are under assault. In recent years, Pell grants have seen a modest increase in the grant level, the number as well as flexibility in how they can be used.
2. Performance-based funding from state and local governments increasingly characterizes support for HBCUs and other institutions. We have discussed the experience in North Carolina, but other states are also considering such approaches. Foundations are also drifting quickly to more formal measures of success.

3. Awards from foundations and others increasingly come in the form of competitive awards. This is true not only with foundations and the federal government but also with the United Negro College Fund, a major intermediary for capacity building for HBCUs. UNCF awards its funds based on competition along themes of institutional development. HBCUs that lack competitive proposals on the relevant themes are unable to get the resources that would support their development. As more institutions become competitive, the least competitive ones will find little help.

4. The “consumer focus” has increased in higher education. Colleges are making information available to prospective students and their families about aspects of the college experience at their institution as well as the success of their graduates. Institutions will be forced to present themselves to discerning consumers who have many choices.

5. Community colleges and for-profit institutions have gained market share through improved marketing and development of attractive educational products, programs, and degrees. This is likely to increase as these institutions compete against one another and through their outreach draw new students into that

realm. HBCUs have declining budgets and declining sophistication for outreach and marketing. As the share of students attending HBCUs declines, informal and word-of-mouth information about them will be less frequently transmitted. Students will be less aware of institutions that are not present in their environment.

6. Financial stability is a growing concern for HBCUs. Accrediting institutions are increasingly strict in enforcing their standards, if not increasing rigor in their standards. Institutions’ efforts to access lines of credit or bond financing will increasingly call attention to their viability, as measured, for example, in enrollment patterns, size of applicant pool, and other indicators.²⁹ To the extent that institutions fail to make progress in these areas or fall behind, they will experience difficulty accessing resources to finance their transformation or even their stable operation.

7. As aging faculty at HBCUs retire, schools will have to recruit new faculty. Institutions that cannot pay competitive salaries or provide attractive professional opportunities will find it difficult to attract the faculty they need for the future. (Although part-time faculty may be helpful financially, they don’t help cre

ate new strength and depth in the student experience at these institutions, thus undermining their attractiveness and their ability to transform.)

8. Deterioration of the physical plant has long been a challenge for HBCUs. Addressing this in the future, in light of the points noted above, will be an even bigger challenge, as these institutions have a difficult time finding the major resources required to keep their facilities at a reasonable standard or to make the infrastructure adjustments required to meet student and faculty expectations.

Members of the black middle class who are 50 or older owe much of their opportunity, regardless of their economic origins, to the presence and viability of HBCUs at a critical time. While under-resourced, these institutions were often their only accessible pathway into the middle class, especially if they grew up in the South. A variety of institutions help serve that need today, but HBCUs still play a critical role and remain important and necessary.

Where do we go from here? There is a compelling case for a redoubled commitment to HBCUs. This commitment should aim to stimulate and support a transformation of the sector. HBCUs are not a monolith. Some institutions will embrace the challenge and do well, while others will not take the leap or implement change

effectively. We need to commence the engagement that will feed change. A number of these institutions have made and continue to make strong contributions and are part of a strong peer set in higher education. The number of schools making this contribution could be larger. The high value of these contributions compared with those of non-HBCUs reinforces their importance. It is extremely important to help this group with enhanced goals and to provide resources to meet challenges in the coming years. Preservation and enhancement are important for this subset of HBCUs.

A second group of institutions are also major contributors, but they have one or more handicaps that threaten their viability or sustainability. This paper shows how, with strong leadership, vision and a plan, modest but sustained additional resources can help them achieve strength and transformation. It is important that they receive this help as soon as possible, lest their handicaps multiply and the confidence of their supporters, including public sector support, wanes.

Finally, there is a group of institutions that currently face serious challenges. This is most seriously reflected in the accreditation issues these institutions are facing or have faced, but other challenges related to enrollment and financial viability are also concerning. These schools risk further degrading

29. The budget squeeze is not unique to HBCUs. Fiscal stress spans the spectrum of institutions. The point here is that for under-resourced institutions, there are no backup or legacy resources to protect the educational enterprise when cuts occur and no new significant and recurrent sources of revenue.

their institutional viability and the confidence of prospective students. There is no magic bullet for these institutions. It is important to help them develop a commitment and a plan for transformation, if the will for such change is credible. The slope for turnaround is steep, but the climb is not impossible if the local community and the colleges' alumni embrace the institution and provide additional resources.

Each stakeholder group has to assess its own view of HBCUs and determine whether its stance conforms to what is required to improve the quality, durability, and sustainability of the HBCU sector. Alumni have often presented themselves as barriers to change, and college presidents often complain about these alumni, as individuals or organized groups. Trustees are critical participants in offering an institutional intention for transformation and in helping to guide change. They will need to step up in different ways to support the president and not see support as micromanagement. Presidents need to engage trustees more directly.

Among all of the stakeholders, the framework of support is less important than the quality of engagement. Inside HBCUs, there is often a lack of engagement or trust. Outsiders sometimes view HBCU leaders as opaque, lacking in creativity, and wanting funds without accountability. HBCU leaders view foundations as lacking appreciation for what they face. Presidents also maintain distance from their boards, which

they see as unhelpful micromanagers or loosely connected and uncritical. Outsiders also view HBCUs as lacking strong and visionary presidential leadership. Too much turnover (15 of 105 schools are currently seeking a president) and too many "retreads" are common perceptions. State governments either lack focus on the business of higher education or are attempting to advance other agendas (such as budget cutting, efficiency, patronage, control) in the ways they engage public higher education.

These perceptions are far from uniform, but they are common, and they do not make for constructive engagement. What is needed is a collection of stakeholders that will come together to redirect focus on black higher education and bring all hands on deck to put HBCUs on a steady path toward making even stronger contributions to their community and the nation. This will not be easy. Much will have to change. New bridges among stakeholders will have to be built. A new value proposition will have to be made to students and their families and to prospective faculty members. New ways of working will have to be devised. While this is hard work, these tasks are all possible, and the need for transformation has become more urgent.